



MKS PAMP GROUP

Daily Asia Wrap

19th January 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1326.60/80	16.97/99	1000/02	1103/05
HIGH	1332.30/50	17.05/07	1004/06	1108/10
LOW	1326.60/80	16.97/99	999/01	1102/04
LAST	1332.20/40	17.04/06	1004/06	1107/09

MARKETS/MACRO

The U.S. House passed a last minute bill to avoid a government shutdown on Thursday, however it now moves to a more uncertain Senate. Housing starts in the U.S. decreased -8.2% to a seasonally adjusted annual rate of 1.192 million units during December. November saw an upwards revision to 1.299 million units from 1.297 million units previously. Building permits eased -0.1% to a rate of 1.302 million. Initial jobless claims fell 41,000 to a seasonally adjusted 220,000 during the week ended January 13. The four-week moving average eased 6,250 to 244,500, while continuing claims increased 76,000 to 1.95 million during the week ended January 6. U.S. equity markets eased on Thursday as investor concern over a possible Government shutdown increased. The DJIA pulled back -0.37% to 26,017.81 points, while real estate (-1.03%) weighed upon the S&P 500 as the bourse declined -0.16%. Treasury markets saw 10-year yields around 2bps higher to 2.6145%, while two-year yields eased marginally. Markets in Europe posted gains on Thursday as the Dax jumped +0.74% and the Stoxx Europe 600 added +0.19% , while persistent pound strength saw the U.K. FTSE -0.32% lower for the fourth consecutive session decline.

PRECIOUS

Gold traded with a mild bid tone during Asian trade on Friday, seeing broad regional interest with gains extending on the back of a softer greenback throughout afternoon pricing. Early session interest around the USD \$1,325 support level kept price action buoyant leading into the Chinese open, while the far East were on the bid early as USD/CNH traded heavily, while USD/CNY opened notably softer relative to Thursday's close. Shanghai traded at an on-shore premium around USD \$8 to take bullion through USD \$1,330 and the metal was able to hold the figure throughout the afternoon, extending to a USD \$1,332.50 session high as Europe filtered in. The recent pull-back from USD \$1,345 has likely tested spec longs and should be viewed as a healthy retracement before the metal makes a further test toward USD \$1,350 and ultimately the September 2017 high of USD \$1,357. Silver has been able to re-take USD \$17 and will continue to pivot around the figure, while platinum extended through USD \$1,000 today.

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